

25X1

Approved For Release 2004/08/17 : CIA-RDP79T00865A002400040001-2

Approved For Release 2004/08/17 : CIA-RDP79T00865A002400040001-2

SECRET



25X1

*CONTENTS*

Norwegian Parliament Debates Svalbard Policy . .	1
Leftists Sweep Greek Student Elections . . . . .	3
Wilson Government Regains Its Majority . . . . .	4

ANNEX

West German Policy Toward the Third World. . . .	5
--	---

December 19, 1975

SECRET

SECRET

25X1

Norwegian Parliament Debates Svalbard Policy

Additional steps to assert Norwegian sovereignty in Svalbard received unanimous support this week during a parliamentary debate--the first full-scale debate on this subject since Norway gained control of the area 50 years ago.

The legislators requested the government to strengthen both the local administration on the archipelago and national government administrative machinery concerned with Svalbard. A wide range of projects was proposed, including the improvement of post and telegraphic service, upgrading local work conditions and housing, and support for local industry.

The Norwegian government in recent years has demonstrated increasing concern about the gradually expanding Soviet activities in Svalbard, and the growth of the Soviet Community to about 2,000--twice the number of Norwegians residing there. During the parliamentary debate, several politicians stressed past Norwegian errors in neglecting Svalbard and one legislator called on Norway to "assume responsibility for past laxity and for the tasks that lie ahead."

The attitude of the Soviet Union, which has extensive mining operations on Svalbard under the 1920 treaty, was a prominent theme throughout the debate. Most speakers voiced concern over possible negative Soviet reactions to Norway's stepped up Svalbard policy, but made it clear they expected the government to stand up to Soviet pressures.

December 19, 1975

SECRET

SECRET

The Svalbard debate capped a year-long government study of Norwegian policy on the archipelago. Next, the government will put its policy proposals into more concrete form, probably submitting new legislation to parliament in the spring.

Although the parliamentary debate reflected Norwegian annoyance over continued Soviet assertiveness on Svalbard, Oslo will probably continue to be mindful of Soviet interests on the archipelago. The Norwegians are currently involved with the Soviets in discussions on delineation of the Barents Sea. A round of talks on the Barents Sea was held in Oslo earlier this month but made little progress. Although no date was set, the next round will probably be held in Moscow sometime next year.

25X1

December 19, 1975

SECRET

SECRET

Approved For Release 2004/08/17 : CIA-RDP79T00865A002400040001-2

25X1

Leftists Sweep Greek Student Elections

Leftist candidates swept the nationwide student elections held on Monday, retaining for the left an important source of strength that could prove troublesome in the future for the Caramanlis government.

Aided by the continued abstention of more than half of Greece's 92,000 students, the well-organized leftist groups won some 80 percent of student council seats. Supporters of Andreas Papandreou's far left Panhellenic Socialist Movement led the balloting, edging out representatives of the Moscow-backed Communist Party of the Exterior who finished first last year. The independent-minded Communist Party of the Interior group took third place.

The student forces of Prime Minister Caramanlis' New Democracy Party ran a respectable race and finished fourth. This was an improvement over their performance last year and is largely attributable to their success in increasing voter turnout over last year when less than 25 percent of the student body bothered to vote.

25X1

The election results suggest that the left and far left have at their disposal a substantial number of politically active students ready to be mobilized for street demonstrations and other disruptive activities should the situation warrant. Thus far, the major leftist parties have cautioned their youthful followers to avoid excesses and have frowned upon the violent tactics of extreme leftist splinter groups, which they fear could provoke the military and force the government to adopt a policy of repression against the left.

25X1

December 19, 1975

- 3 -  
SECRET

Approved For Release 2004/08/17 : CIA-RDP79T00865A002400040001-2

SECRET



25X1

Wilson Government Regains Its Majority

Britain's Labor government has regained its one-vote majority in the House of Commons. Prime Minister Wilson, with the acquiescence if not the wholehearted cooperation of Conservative Party leader Thatcher, named Robert Carr, a Conservative member of parliament, to the House of Lords.

Earlier this week, the death of a Labor member left Wilson's party and the combined opposition tied at 317 seats each.

Thatcher's consent, which was required before Wilson could have named a Conservative member to the peerage, indicates that Conservative Party leaders have no stomach just now for a general election. Instead, one more by-election will be held.

Although Carr represents a marginal Conservative constituency, most observers believe it is unlikely to change hands. The government, however, controls the timing of by-elections and probably will allow the seat to remain vacant for a few months.

The loss of one or two seats should not effect Labor's working majority on the floor of the House, but its failure to maintain an absolute majority would give opposition parties the opportunity to interfere with the government's legislative program. Last week, for example, with two Labor members absent, a select parliamentary committee issued five minority reports on the wealth tax bill, thus at least temporarily blocking progress on an important piece of government legislation.

25X1

December 19, 1975

SECRET

SECRET

25X1

ANNEX

West German Policy Toward the Third World

West Germany's extensive effort during the past year to expand political and economic relations with underdeveloped countries has prompted some observers to conclude that Bonn has shifted its priorities away from its traditional concerns with Europe and the United States. Although change is undeniable, this conclusion is an exaggeration. The Schmidt government has, instead, "broadened" the focus of foreign policy by acknowledging the Federal Republic's growing commercial interests in the underdeveloped world. This new expresssion of German interests could not have emerged as forcefully during the Adenauer era when Bonn was preoccupied with the reconstruction of the nation's social and economic fabric, or during the Brandt administration which sought to advance its quest for German reunification by improving relations with the Soviet Union and Eastern Europe.

The various motives underlying the Schmidt government's goal of improving relations with the underdeveloped countries are not completely compatible and have fostered bureaucratic infighting over the shape of the emerging policy. Many West German officials, including Chancellor Schmidt, have stressed that the Federal Republic and Western Europe cannot ignore their "economic interdependence" with the oil and raw material producers. Dialogue and cooperation are the key policy themes. This assessment pushes Bonn to cooperate with its EC partners, especially the French, in an effort to avoid a confrontation with these energy-rich nations that might lead to the expropriation of German investments and close foreign markets to German goods. This attitude is paramount

December 19, 1975

SECRET

among certain elements in the Foreign Office and the Ministry for Economic Cooperation now headed by the dynamic Egon Bahr. Bahr has been the government official most openly in favor of deepening economic ties with the Third World and has championed--so far with little success--triangular industrial projects that combine German technology and the oil producers' huge petrodollar holdings in an effort to gain access to raw material deposits in the underdeveloped world.

Other senior government officials acknowledge the reality of interdependence but place a higher priority on preserving the "free-market" principle in the international economy. Coupled with this concern is a desire to cooperate closely with Washington in resisting "economic blackmail" by the oil producers and the raw material suppliers. Indeed, Bonn has played a major role in strengthening consumer solidarity among the industrial nations in the US-sponsored International Energy Agency (IEA).

One factor that fortifies Bonn's opposition to demands for the indexation of oil prices, integrated commodity agreements, and expanded developed aid programs is the important role that the Free Democratic Party plays in Chancellor Schmidt's coalition government. The Free Democrats hold four key cabinet posts, including the Foreign Office and the Economics Ministry. Their unwillingness to accept any interference with market forces deeply colors Bonn's policy toward OPEC and the exporters of raw materials.

Finance Minister Apel and the Chancellor, both Social Democrats, have supported their coalition partners on this issue primarily out of concern that the Third World's economic demands will fuel global inflation and require large contributions from the strained Federal budget. Some West German government officials seem to be counting on the US Congress

December 19, 1975

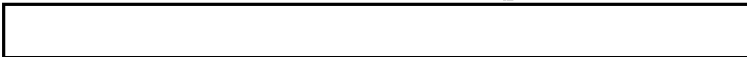


SECRET

Approved For Release 2004/08/17 : CIA-RDP79T00865A002400040001-2

to block the funding required to enact Secretary Kissinger's proposals tabled at the UN Seventh Special Session last September. This opposition, in their view, would lift much of the pressure on Bonn for greater contributions to multilateral projects.

Chancellor Schmidt has tried to camouflage the large gap between the rhetoric of cooperation and his government's tight-fisted policy. This will be more difficult when the underdeveloped countries begin to probe Bonn's position more thoroughly at the Conference on International Economic Cooperation in Paris this week. Bonn has endorsed the sale of IMF gold holdings to help subsidize loans to the LDCs and is willing to support an income stabilization scheme for raw material producers modeled on the Lomé Convention. West German officials will probably endorse other proposals that do not require an additional outlay of German funds. Beyond this point, Bonn's dialogue with the underdeveloped countries will be essentially a holding operation.



25X1

December 19, 1975

Approved For Release 2004/08/17 : CIA-RDP79T00865A002400040001-2

SECRET

Approved For Release 2004/08/17 : CIA-RDP79T00865A002400040001-2

**Secret**

**Secret**

Approved For Release 2004/08/17 : CIA-RDP79T00865A002400040001-2